Argentina Lithium & Energy Corp.

(An Exploration Stage Company)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022

(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed consolidated interim financial statements they must be accompanied by a notice indicating that these condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's external auditors have not performed a review of these condensed consolidated interim financial statements.

Argentina Lithium & Energy Corp.

(An Exploration Stage Company)

Consolidated Interim Statements of Financial Position

(Unaudited - Expressed in Canadian Dollars)

	Note	September 30, 2023 $	December 31, 2022 $
ASSETS			
Current assets			
Cash		987,169	8,130,147
Accounts receivables	6	117,345	112,324
Prepaid expenses		62,035	174,848
Total current assets		1,166,549	8,417,319
Non-current assets			
Exploration and evaluation assets	3	9,256,734	7,172,264
Total non-current assets		9,256,734	7,172,264
Total Assets		10,423,283	15,589,583
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	3,6	1,164,597	1,931,385
Loan payable	6	100,000	-
Total liabilities		1,264,597	1,931,385
SHAREHOLDERS' EQUITY			
Share capital	4	37,880,207	37,611,102
Reserves	4	14,933,867	14,875,161
Obligation to issue shares	3	-	151,000
Deficit		(43,655,388)	(38,979,065)
Total shareholders' equity		9,158,686	13,658,198
Total Shareholders' Equity and Liabilities		10,423,283	15,589,583

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)

EXPLORATION AND EVALUATION ASSETS (Note 3)

COMMITMENT (Note 8)

SUBSEQUENT EVENTS (Note 11)

These condensed consolidated interim financial statements are authorized for issue by the Board of Directors on November 20, 2023. They are signed on the Company's behalf by:

"Nikolaos Cacos" , Director

"Martin Burian" , Director

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Argentina Lithium & Energy Corp.

(An Exploration Stage Company)

Consolidated Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	Note	Three months ended September 30, 2023 $	Three months ended September 30, 2022 $	Nine months ended September 30, 2023 $	Nine months ended September 30, 2022 $
Expenses					
Consulting fees	6	217,137	171,946	560,359	502,832
Corporate development and investor relations		171,524	345,449	860,791	733,328
Exploration	3	1,200,927	971,636	4,271,264	1,507,521
Legal and professional fees		765,772	63,484	857,107	136,911
Management fees	6	30,000	29,400	89,400	88,200
Office and sundry	6	15,439	12,703	51,774	35,354
Rent, parking and storage		5,379	4,310	14,016	12,930
Share-based compensation		-	-	79,311	-
Transfer agent and regulatory fees		70,582	48,432	92,855	72,375
Travel		1,549	-	25,781	-
Loss from operating activities		2,478,309	1,647,360	6,902,658	3,089,451
Other (income) loss					
Foreign exchange (gain) loss	7	(1,253,018)	36,122	(2,079,605)	188,640
Interest income		(53,309)	(314,349)	(146,730)	(414,815)
(Income) from other items		(1,306,327)	(278,227)	(2,226,335)	(226,175)
Total loss and comprehensive loss		1,171,982	1,369,133	4,676,323	2,863,276
Basic and diluted loss per common share	5	0.01	0.02	0.04	0.04

Argentina Lithium & Energy Corp.
(An Exploration Stage Company)
Consolidated Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	Nine months ended September 30,	
	2023 $	2022 $
Cash flows from operating activities		
Loss for the period	(4,676,323)	(1,494,143)
Adjustments for:		
Share based compensation	79,311	-
Changes in non-cash working capital items:		
(Increase) decrease in accounts receivables	(5,021)	3,245
Decrease (increase) in prepaid expenses	112,813	(44,639)
Decrease in accounts payable and accrued liabilities	(766,788)	(329,757)
Net cash used in operating activities	(5,256,008)	(1,865,294)
Cash flows from investing activities		
Expenditures on exploration and evaluation assets	(2,084,470)	(386,089)
Net cash used in investing activities	(2,084,470)	(386,089)
Cash flows from financing activities		
Issuance of common shares and warrants	-	3,326,000
Share issue costs	-	(36,260)
Warrants exercised	97,500	-
Stock options exercised	-	40,000
Loan proceeds received	100,000	-
Net cash from financing activities	197,500	3,329,740
Net decrease in cash and cash equivalents during the period	(7,142,978)	(4,176,008)
Cash and cash equivalents at beginning of period	8,130,147	6,430,771
Cash and cash equivalents at end of period	987,169	2,254,763

SUPPLEMENTARY CASH FLOW INFORMATION (Note 9)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Argentina Lithium & Energy Corp.

(An Exploration Stage Company)

Consolidated Statements of Changes in Equity (Deficiency)

(Expressed in Canadian Dollars)

	Share capital		Reserves					
	Number of shares	Amount $	Contributed surplus $	Equity settled share-based payments $	Warrants $	Obligation to issue shares $	Deficit $	Total $
Balance at December 31, 2021	73,460,505	28,324,377	5,281,438	1,511,338	2,463,904	500,000	(30,495,871)	7,585,186
Private placement	16,630,000	2,562,798	-	-	763,202	-	-	3,326,000
Share issue costs	-	(36,260)	-	-	-	-	-	(36,260)
Agent warrants granted	-	(20,610)	-	-	20,610	-	-	-
Shares issued for property option (Note 3(c))	499,624	238,780	-	-	-	-	-	238,780
Obligation to issue shares (Note 3(c))	-	-	-	-	-	1,000	-	1,000
Stock options exercised	200,000	67,719	-	(27,719)	-	-	-	40,000
Total comprehensive loss for the period	-	-	-	-	-	-	(2,863,276)	(2,863,276)
Balance at September 30, 2022	90,790,129	31,136,804	5,281,438	1,483,619	3,247,716	501,000	(33,359,147)	8,291,430
Private placement	36,340,948	6,021,660	-	-	3,063,577	-	-	9,085,237
Share issue costs	-	(22,260)	-	-	-	-	-	(22,260)
Agent warrants granted	-	(14,075)	-	-	14,075	-	-	-
Shares issued for property option (Note 3(c))	1,430,908	350,000	-	-	-	(350,000)	-	-
Warrants exercised	750,000	138,973	-	-	(26,473)	-	-	112,500
Share-based compensation	-	-	-	1,811,209	-	-	-	1,811,209
Stock options exercised	-	-	-	-	-	-	-	-
Stock options cancelled	-	-	27,169	(27,169)	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	-	(5,619,918)	(5,619,918)
Balance at December 31, 2022	129,311,985	37,611,102	5,308,607	3,267,659	6,298,895	151,000	(38,979,065)	13,658,198
Shares issued for property option (Note 3(c))	503,334	151,000	-	-	-	(151,000)	-	-
Warrants exercised	400,000	118,105	-	-	(20,605)	-		97,500
Share based compensation	-	-	-	79,311	-	-		79,311
Stock options expired	-	-	1,058,216	(1,058,216)	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	-	(4,676,323)	(4,676,323)
Balance at September 30, 2023	130,215,319	37,880,207	6,366,823	2,288,754	6,278,290	-	(43,655,388)	9,158,686

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Argentina Lithium & Energy Corp. (the "Company") was incorporated on April 11, 2000 in the Province of British Columbia and was transitioned under the Business Corporations Act (BC) on June 17, 2004. In September 2016, the Company changed its name to Argentina Lithium & Energy Corp. (formerly Iron South Mining Corp.) trading on the TSX-V under the symbol "LIT". The address of the Company's registered office is Suite 312 – 837 West Hastings Street, Vancouver, BC, Canada V6C 3N6.

The Company is a natural resource company engaged in the acquisition and exploration of resource properties in the Americas and Argentina. The Company presently has no proven or probable reserves and, on the basis of information to date, it has not yet determined whether these properties contain economically recoverable ore reserves. Consequently, the Company considers itself to be an exploration stage company.

The amounts shown as exploration and evaluation assets represent costs incurred to date, less option payment proceeds and amounts amortized and/or written off, and do not necessarily represent present or future values. The underlying value of the exploration and evaluation assets is entirely dependent on the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, the ability of the Company to obtain the necessary financing to advance the properties beyond the exploration stage, and future profitability of the properties.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to consolidated financial statements and to a going concern, which assume that the Company will realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The Company has experienced recurring operating losses and has an accumulated operating deficit of $43,655,388, a working capital deficiency of $98,048 and shareholders' equity of $9,158,686 at September 30, 2023. In addition, the Company has negative cash flow from operating activities of $5,256,008 for the nine months ended September 30, 2023. Working capital is defined as current assets less current liabilities and provides a measure of the Company's ability to settle liabilities that are due within one year with assets that are also expected to be converted into cash within one year. These factors raise substantial doubt about the Company's ability to continue as a going concern. The Company's continued operations, as intended, are dependent upon its ability to raise additional funding to meet its obligations and to attain profitable operations. Management's plan in this regard is to raise equity financing as required. There are no assurances that the Company will be successful in achieving these goals.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the outbreaks of the coronavirus (COVID-19) pandemic, relations between NATO and Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

These condensed consolidated interim financial statements do not include adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting ("IAS 34"), as issued by the International Accounting Standards Board ("IASB"), and its interpretations, using accounting policies consistent with International Financial Reporting Standards ("IFRS") and accordingly, certain information and note disclosure included in the annual consolidated financial statements prepared in accordance with IFRS have been omitted or condensed. These condensed consolidated interim financial statements should be read in conjunction with the Company's December 31, 2022 audited annual consolidated financial statements.

Basis of preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned subsidiaries (see also Note 12) as follows:

	Place of Incorporation	Principal Activity
Amera-Chile Sociedad Contractual Minera	Chile	Holding company
Argentina Litio Y Energia S.A.	Argentina	Exploration company
Hierros Del Sur S.A.C.	Peru	Holding company

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the condensed consolidated interim financial statements.

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Significant Accounting Estimates and Judgments

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Critical accounting judgments

i. Presentation of the consolidated financial statements which assumes that the Company will continue in operation for the foreseeable future, obtain additional financing as required, and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.

ii. The analysis of the functional currency for each entity of the Company. In concluding that the Canadian dollar is the functional currency of the parent and its subsidiary companies, management considered the currency that mainly influences the cost of providing goods and services in each jurisdiction in which the Company operates. As no single currency was clearly dominant the Company also considered secondary indicators including the currency in which funds from financing activities are denominated and the currency in which funds are retained.

iii. The net carrying value of each mineral property is reviewed regularly for conditions that suggest impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

    During the nine months ended September 30, 2023, management has determined there were no impairment indicators present with respect to the Company's exploration and evaluation assets.

Changes in Accounting Standards

Amendments to IAS 1, Presentation of financial statements (effective January 1, 2023) provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. This amendment is not expected to have any impact on the Company's consolidated financial statements.

3. EXPLORATION AND EVALUATION ASSETS

The schedules below summarize the acquisition costs and all exploration expenditures incurred to date for each exploration and evaluation asset that the Company holds title to as at September 30, 2023 and 2022:

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

3. EXPLORATION AND EVALUATION ASSETS (continued)

Acquisition Costs

	Argentina				
	Incahuasi $	Antofalla $	Rincon West $	Pocitos $	Total $
Balance – December 31, 2021	53,449	129,439	938,028	940,906	2,061,822
Additions					
Option payments, staking costs, land payments and acquisition costs	14,320	698,550	3,427,061	825,641	4,965,572
Balance – September 30, 2022	67,769	827,989	3,427,061	2,704,575	7,027,394
Additions					
Option payments, staking costs, land payments and acquisition costs	(797)	1,961	1,210,772	(1,067,066)	144,870
Balance – December 31, 2022	66,972	829,950	4,637,833	1,637,509	7,172,264
Additions					
Option payments, staking costs, land payments and acquisition costs	-	736,435	1,209,015	139,020	2,084,470
Balance – September 30, 2023	66,972	1,566,385	5,846,848	1,776,529	9,256,734

Exploration Expenditures

	Argentina					
	Incahuasi $	Antofalla $	Rincon West $	Pocitos $	Other $	Total $
Cumulative exploration expenses December 31, 2022	2,554,371	369,057	3,822,625	2,228	58,228	6,806,509
Expenditures during the period:						
Assays	2,988	-	39,136	-	-	42,124
Drilling	-	-	959,859	-	-	959,859
Geophysics	5,511	-	497,500	-	-	503,011
Office	2,821	16,928	265,198	-	-	284,947
Professional fees	1,916	11,629	197,751	-	2,224	213,520
Property maintenance payments	81,807	36,240	31,835	-	10,125	160,007
Salaries and contractors	1,420	8,523	656,218	-	-	666,161
Social and community	302	1,824	45,706	-	-	47,832
Supplies and equipment	30,757	73,775	393,006	-	-	497,538
Transportation	13,506	11,296	203,869	-	-	228,671
Statutory taxes	19,989	22,738	485,635	-	1,750	530,112
Travel costs	43	257	137,182	-	-	137,482
	161,060	183,210	3,912,895	-	14,099	4,271,264
Cumulative exploration expenses September 30, 2023	2,715,431	552,267	7,735,520	2,228	72,327	11,077,773

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

3. EXPLORATION AND EVALUATION ASSETS (continued)

	Argentina				
	Incahuasi $	**Antofalla $**	**Pocitos $**	**Other $**	**Total $**
Cumulative exploration expenses December 31, 2021	2,526,446	136,343	16,699	52,147	2,731,635
Expenditures during the period:					
Assays	-	-	7,829	-	7,829
Drilling	-	-	501,026	-	501,026
Geophysics	-	-	62,575	-	62,575
Office	38,085	4,238	65	-	42,388
Professional fees	34,804	3,649	78,664	2,126	119,243
Property maintenance payments	(1,863)	-	1,703	3,799	3,639
Salaries and contractors	-	-	18,521	-	18,521
Social and community	-	-	213,582	-	213,582
Supplies and equipment	1,193	133	159,625	-	160,951
Transportation	-	-	106,979	-	106,979
Statutory taxes	11,403	1,266	190,526	928	204,123
Travel costs	591	66	66,008	-	66,665
	84,213	9,352	1,407,103	6,853	1,507,521
Cumulative exploration expenses September 30, 2022	2,610,659	145,695	1,423,802	56,900	4,239,156

a) Incahuasi Lithium Project

The Company owns a 100% interest in the Incahuasi lithium brine project totalling 25,000 ha, located in the Catamarca Province, Argentina.

b) Antofalla North Lithium Project

Pipo-Alcalina V Option

On July 7, 2021, the Company entered into an option agreement with Trendix Mining ("Trendix") to earn a 100% interest in the three additional properties totaling 5,380 hectares ("Optioned properties") situated adjacent to the Company's 9,080 hectares of 100% held claims on the Salar de Antofalla ("Staked Properties"). Terms include staged payments over four years totaling US$4,000,000, and total exploration expenditures of US$7,000,000. The vendors retain a 2% Net Smelter Royalty ("NSR") which Argentina Lithium has the ability to repurchase for US$5,000,000.

Option Payment US$	Exploration Expenditure US$	Year
100,000 (paid)	-	2021
300,000 (paid)	-	2022
200,000 (paid)	-	2023
200,000 (paid)	-	2023
1,700,000	4,000,000	2024
1,500,000	3,000,000	2025
4,000,000	7,000,000	

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

3. EXPLORATION AND EVALUATION ASSETS (continued)

Amelia Option

On March 31, 2022, the Company entered into an option agreement to acquire a 100% interest in three granted mine concession properties totalling 5,411 hectares in the Salar de Antofalla in Catamarca Province, Argentina. Terms of the option include cash payments totalling US$2,800,000 over four years, including mandatory commitments totalling US$180,000 in the first twelve months. The option also includes mandatory annual exploration expenditure commitments of US$500,000 in year one, followed by US$1,500,000 in year two, US$2,000,000 in year three and US$3,000,000 in year four. The vendor retains a 2% Net Smelter Royalty which can be repurchased for US$3,000,000. See also Note 12.

Option Payment US$	Exploration Expenditure US$	Year
80,000 (paid)	-	2022
100,000 (paid)	-	2023
200,000 (paid)	500,000	2023
700,000	1,500,000	2024
1,100,000	2,000,000	2025
620,000	3,000,000	2026
2,800,000	7,000,000	

Volcan Option

On August 5, 2022, the Company entered into an option agreement to acquire a 100% interest in a single mine concession property measuring 843.5 hectares in the Salar de Antofalla in Catamarca Province, Argentina. Terms of the Volcan option include cash payments totaling US$590,000 paid over three years, including the obligatory payment of US$40,000 at the time of signing. The vendor retains a 1% Net Smelter Royalty which can be repurchased for US$1,300,000.

Option Payment US$	Year
40,000 (paid)	2022
100,000 (paid)	2023
200,000	2024
250,000	2025
590,000	

Lexi Option

The Company entered into an option agreement to acquire 100% interest in a single mining concession on the Antofalla Salar, wholly within the Catamarca mining registry. Terms of the Lexi-30 option specify two cash payments totaling US$425,000, including an initial payment of US$50,000, and an optional final payment of US$ 375,000, payable at up to 12 months. The vendor retains a 2% NSR. In the instance that the vendor wishes to transfer or sell the NSR, the Company has the right to match the terms of NSR transference or sale.

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

3. EXPLORATION AND EVALUATION ASSETS (continued)

Pocitos Project

Rincon-Pocitos Option

On October 8, 2021, the Company entered into a definitive agreement with a private vendor to acquire 100% interest in the 2,370-hectare Rincon West and 15,857-hectare Pocitos projects in Salta Province, Argentina. Terms include issuance of 750,000 shares in the Company to the vendor on signing plus $500,000 worth of shares over a 12-month period; and cash payments totaling US$4,200,000 over 36 months. See also Note 12.

Option Payments or Firm commitment US$	Shares issued valued at $	Number of shares issued #	Year
150,000 (paid)	375,000	750,000	2021
250,000 (paid)	150,000	306,623	2022
400,000 (paid)	350,000	1,430,908	2022
250,000 (paid)	-	-	2023
250,000 (paid)	-	-	2023
500,000	-	-	2024
2,400,000	-	-	2024
4,200,000	850,000	2,487,531	

El Pidio GIII Option

On January 3, 2022, the Company entered into an option agreement to acquire 100% interest in the 1,602 hectare property in the southeast of Pocitos Basin. Terms of the option include issuance of 25,000 shares in the Company to the vendor on signing plus $70,000 worth of shares over the subsequent three years including mandatory issuances valued at $25,000 over the first 18 months, and cash payments totaling US$165,000 over three years including a mandatory total of US$30,000 over the first 18 months. The number of shares to be issued are calculated based on the discounted market price of $0.30 per share on the TSX-V on January 7, 2022.

Option Payments or Firm commitment US$	Shares to be issued valued at $	Number of shares to be issued #	Year
10,000 (paid)	11,500 (issued)	25,000 (issued)	2022
10,000 (paid)	12,500 (issued)	41,667 (issued)	2023
10,000 (paid)	12,500 (issued)	41,667	2023
35,000	20,000	66,667	2024
100,000	25,000	83,333	2025
165,000	81,500	258,334	

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

3. EXPLORATION AND EVALUATION ASSETS (continued)

Aguamarga Option

On January 3, 2022, the Company entered into an option agreement to acquire 100% interest in the 7,000 hectare Aguamarga 11 and Aguamarga 16 properties in the east flank of Pocitos Basin. Terms of the option include issuance of 168,000 shares in the Company to the vendor on signing plus $651,000 worth of shares over the subsequent three years including mandatory issuances valued at $126,000 over the first 12 months, and cash payments totaling US$1,890,000 over three years including a mandatory total of US$105,000 over the first 12 months. The number of shares to be issued are calculated based on the discounted market price of $0.30 per share on the TSX-V on January 7, 2022.

Option Payments or Firm commitment US$	Shares to be issued valued at $	Number of shares to be issued #	Year
42,000 (paid)	77,280 (issued)	168,000 (issued)	2022
63,000 (paid)	126,000 (issued)	420,000 (issued)	2023
105,000 (paid)	-	-	2023
420,000	210,000	700,000	2024
1,260,000	315,000	1,050,000	2025
1,890,000	728,280	2,338,000	

Ramos Option

On January 6, 2022, the Company entered into an option agreement to acquire 100% interest in five additional properties totaling 1,762 hectares at the Pocitos Salar ("the Ramos Properties"). Terms of the option include mandatory payments totaling US$150,000 in the first year, followed by US$550,000 over two years after signing. The Company paid US$50,000 of the option payment due at signature. The vendor retains a 1% Net Smelter Royalty ("NSR") which can be purchased by the Company for US$500,000.

Option Payments or Firm commitment US$	Year
50,000 (paid)	2022
100,000 (paid)	2023
550,000	2024
700,000	

d) Rincon West Project

On August 17, 2022, the Company entered into a contract with a provincially-owned company Recursos Energéticos y Mineros Salta S.A. ("REMSA") to acquire 100% interest of the Rinconcita II mining concession area ("Rinconcita II") located on the Salar de Rincon in Salta Province, Argentina covering 460.5 hectares adjacent to and east of the Company's Rincon West property. Terms of contract include payment of 3% Net Smelter Return ("NSR") of mineral and refined products sourced from Rinconcita II over its production life, if it advances to the production stage. The Company paid US$2,500,000 due on signing. The Company is committed to an exploration program for US$2,560,558 that includes environmental permitting, ground geophysics, and exploratory drilling, within twelve months from the date of approval of the environmental impact report.

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

3. EXPLORATION AND EVALUATION ASSETS (continued)

Paso de Sico Option

On September 20, 2022, the Company entered into an option agreement to acquire a 100% interest in four contiguous mine concession properties totalling 791.3 hectares in the Salar de Rincon, Argentina. Terms of the Paso de Sico option include cash payments totalling US$1,500,000 over two years, including mandatory commitments totalling US$300,000 in the first six months. The option also includes annual exploration expenditure commitments of US$300,000 in year one, followed by US$800,000 in year two, and US$1,200,000 in year three. The vendor retains a 3% Net Smelter Royalty which can be repurchased for US$1,500,000.

Option Payment US$	Exploration Expenditure US$	Year
100,000 (paid)	-	2022
200,000 (paid)	-	2023
400,000 (paid)	300,000	2023
800,000	800,000	2024
-	1,200,000	2025
1,500,000	2,300,000	

Don Fermin Option

On June 15, 2023 the Company entered into an option agreement to acquire 100% interest in concession located on the eastern flank of the Salar de Rincon, approximately 19 km east of the Rincon West property block. Terms of the option include cash payments totaling US$2,750,000 over 18 months, including an initial payment of US$250,000. The Company can advance the dates of the subsequent four payments at its discretion. The vendor retains a 1.5% NSR which can be repurchased for US$4M. See also Note 12.

Option Payment US$	Year
250,000 (paid)	2023
500,000 (paid)	2023
750,000	2024
1,000,000	2024
250,000	2025
2,750,000	

4. CAPITAL AND RESERVES

Authorized Share Capital

The Company's authorized share capital comprised an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

Details of Issues of Common Shares in 2023

There were no shares issued for private placement during the nine months ended September 30, 2023.

4. CAPITAL AND RESERVES (continued)

Details of Issues of Common Shares in 2022

On November 21, 2022, the Company completed a non-brokered private placement announced on November 3, 2022, and increased on November 16, 2022, consisting of 36,340,948 units at a price of $0.25 per unit for gross proceeds of $9,085,237. Each unit consisted of one common share and one transferable common share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share in the capital of the Company at $0.40 per share for two years from the date of issue. Finders' fees were paid of $22,260 cash and 89,040 non-transferable warrants exercisable into common shares at $0.40 per share for two years from the date of issue with a fair value of $14,075. Fair value was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 3.9%; expected stock price volatility – 105.27%; dividend yield – 0%; and expected warrant life – 1.387 years.

On August 25, 2022, the Company completed the second and final tranche of a non-brokered private placement announced on July 21, 2022, and increased on August 9 and August 11, 2022, consisting of 10,415,000 units at a price of $0.20 per unit for gross proceeds of $2,083,000. Each unit consisted of one common share and one transferable common share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share in the capital of the Company at $0.38 per share for two years from the date of issue. Fair value was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 3.52%; expected stock price volatility – 110.80%; dividend yield – 0%; and expected warrant life – 1.528 years.

On August 11, 2022, the Company completed the first tranche of a non-brokered private placement announced on July 21, 2022, and increased on August 9 and August 11, 2022, consisting of 6,215,000 units at a price of $0.20 per unit for gross proceeds of $1,243,000. Each unit consisted of one common share and one transferable common share purchase warrant. Each warrant will entitle the holder thereof to purchase one additional common share in the capital of the Company at $0.38 per share for two years from the date of issue. Finders' fees were paid of $36,260 cash and 181,300 non-transferable warrants exercisable into common shares at $0.38 for two years from the date of issue with a fair value of $20,610. Fair value was calculated using the Black-Scholes pricing model and the following variables: risk-free interest rate – 3.26%; expected stock price volatility – 122.63%; dividend yield – 0%; and expected warrant life – 1.614 years.

Share Purchase Option Compensation Plan

The Company has a share purchase option plan (the "Plan") approved by the Company's shareholders that allows it to grant share purchase options, subject to regulatory terms and approval, to its officers, directors, employees and service providers for a maximum term of ten years. The Plan is based on the maximum number of eligible shares equaling a rolling percentage of 10% of the Company's outstanding common shares, calculated from time to time. If outstanding share purchase options are exercised or expire, and/or the number of issued and outstanding common shares of the Company increases, then the share purchase options available to grant under the Plan increase proportionately.

The exercise price of each share purchase option is set by the Board of Directors at the time of grant but cannot be less than the market price less allowable discounts in accordance with the policies of the TSX-V. Share purchase options granted generally vest immediately and are subject to a four-month hold period and are generally exercisable for a period of up to five years.

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

4. CAPITAL AND RESERVES (continued)

The continuity of share purchase options for the nine months ended September 30, 2023 is as follows:

Expiry date	Exercise Price	December 31, 2022	Granted	Exercised	Expired	September 30, 2023	Options exercisable
January 26, 2023	$2.00	973,750	-	-	(973,750)	-	-
July 9, 2026	$0.20	2,650,000	-	-	-	2,650,000	2,650,000
September 3, 2026	$0.18	225,000	-	-	-	225,000	225,000
December 8, 2027	$0.35	8,016,000	-	-	-	8,016,000	8,016,000
January 13, 2028	$0.35	-	300,000	-	-	300,000	300,000
May 8, 2028	$0.30	-	150,000	-	-	150,000	150,000
		11,864,750	450,000	-	(973,750)	11,341,000	11,341,000
Weighted average exercise price ($)		0.64	0.33	-	2.00	0.31	0.31
Weighted average contractual remaining life (years)		3.69	-	-	-	3.84	3.84

The continuity of share purchase options for the nine months ended September 30, 2022 is as follows:

Expiry date	Exercise Price	December 31, 2021	Granted	Exercised	Expired/ cancelled	September 30, 2022	Options exercisable
January 26, 2023	$2.00	998,750	-	-	-	998,750	998,750
July 9, 2026	$0.20	2,850,000	-	(200,000)	-	2,650,000	2,650,000
September 3, 2026	$0.18	225,000	-	-	-	225,000	225,000
		4,073,750	-	(200,000)	-	3,873,750	3,873,750
Weighted average exercise price ($)		0.64	-	0.20	-	0.66	0.66
Weighted average contractual remaining life (years)		3.69	-	-	-	2.89	2.89

The weighted average fair value of share purchase options granted during the nine months ended September 30, 2023 is $0.33 (2022 - $Nil).

Options were priced based on the Black-Scholes option pricing model using the following weighted average assumptions to estimate the fair value of options granted:

	Nine months ended September 30,	
	2023	2022
Risk-free interest rate	3.17%	-
Expected option life in years	2.80	-
Expected share price volatility(1)	118.22%	-
Grant date share price	$0.268	-
Expected forfeiture rate	-	-
Expected dividend yield	Nil	Nil

(1) Expected volatility was estimated based on historical trading price.

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

4. CAPITAL AND RESERVES (continued)

Warrants

The continuity of warrants for the nine months ended September 30, 2023 is as follows:

Expiry date	Exercise Price	December 31, 2022	Granted	Exercised	September 30, 2023
April 14, 2024	$0.15	5,020,330	-	(250,000)	4,770,330
November 10, 2024	$0.70	6,288,047	-	-	6,288,047
November 29, 2024	$0.70	5,098,767	-	-	5,098,767
December 10, 2024	$0.70	2,437,635	-	-	2,437,635
August 11, 2024	$0.38	6,396,300	-	-	6,396,300
August 25, 2024	$0.38	10,415,000	-	-	10,415,000
November 21, 2024	$0.40	36,429,988	-	(150,000)	36,279,988
		72,086,067	-	(400,000)	71,686,067
Weighted average exercise price ($)		0.44	-	0.24	0.44

The continuity of warrants for the nine months ended September 30, 2022 is as follows:

Expiry date	Exercise Price	December 31, 2021	Granted	Exercised	Expired/ Cancelled	September 30, 2022
April 14, 2024	$0.15	5,770,330	-	-	-	5,770,330
November 10, 2024	$0.70	6,288,047	-	-	-	6,288,047
November 29, 2024	$0.70	5,098,767	-	-	-	5,098,767
December 10, 2024	$0.70	2,437,635	-	-	-	2,437,635
August 11, 2024	$0.38	-	6,396,300	-	-	6,396,300
August 25, 2024	$0.38	-	10,415,000	-	-	10,415,000
		19,594,779	16,811,300	-	-	36,406,079
Weighted average exercise price ($)		0.54	0.38	-	-	0.47

5. BASIC AND DILUTED LOSS PER SHARE

The calculations of basic and diluted loss per share for the nine months ended September 30, 2023 and 2022 were based on the following:

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Loss attributable to common shareholders ($)	1,171,982	1,369,133	4,676,323	2,863,276
Weighted average number of common shares outstanding	130,062,938	81,794,042	130,043,404	76,590,813

Diluted loss per share did not include the effect of 11,341,000 (2022 – 3,873,750) share purchase options and 71,686,067 (2022 – 36,406,079) warrants as they are anti-dilutive.

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

6. RELATED PARTY BALANCES AND TRANSACTIONS

Grosso Group Management Ltd.

On October 1, 2016, the Company entered into a Management Services Agreement ("Agreement") with Grosso Group Management Ltd. (Grosso Group) to provide services and facilities to the Company. Grosso Group provides its member companies with administrative and management services. The member companies pay monthly fees to Grosso Group on a cost recovery basis. The fee is based upon a pro-rating of Grosso Group's costs including its staff and overhead costs among the member companies. The fee is reviewed and adjusted quarterly based on the level of services required.

The Agreement contains termination and early termination fees in the event the services are terminated by the Company. The termination fee includes three months of compensation and any contractual obligations that Grosso Group undertook for the Company, up to a maximum of $750,000. The early termination fees are the aggregate of the termination fee in addition to the lesser of the monthly fees calculated to the end of the term and the monthly fees calculated for eighteen months, up to a maximum of $1,000,000.

	Nine months ended September 30,	
Transactions	2023 $	2022 $
Services rendered:		
Grosso Group Management Ltd.		
Management fees	89,400	88,200
Office & sundry	18,000	18,200
Total for services rendered	107,400	106,200

Compensation of key management and directors

Key management personnel of the company are the President and CEO, CFO and Vice President of Exploration.

		Nine months ended September 30,	
Transactions		2023 $	2022 $
Compensation paid to key management and directors or their consulting corporations:			
Niko Cacos	President/CEO	144,705	135,000
Darren Urquhart	CFO	24,344	22,500
Martin Burian	Director	12,000	-
Joseph Grosso	Director	135,000	135,000
John Gammon	Director	9,000	9,000
David Terry	Director/Consultant	36,000	36,000
Miles Rideout	VP Exploration	124,086	130,252
Total for services rendered		485,135	467,752

6. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

	Nine months ended September 30,	
	2023	2022
Balances	$	$
Amounts owed to related parties included in accounts payable and accrued liabilities		
Payable to Golden Arrow Resources Corp.[1]	83,761	63,028
Payable to Grosso Group Management Ltd.[2]	49,886	27,735
Payable to Oxbow International Marketing Ltd.[2]	3,210	1,198
Total owed to related parties included in accounts payable and accrued liabilities	136,857	91,961
Loan payable to CEO (see also Note 12)	100,000	-

(1) A company related through common directors that receives reimbursement for shared office costs and overhead.
(2) A company owned by Joseph Grosso, a director of Argentina Lithium & Energy Corporation.

Amounts owed to related parties included in accounts payable and accrued liabilities , are unsecured, non-interest bearing and have no specific terms of repayment. The loan payable to CEO is unsecured, non-interest bearing and due on demand.

7. MARKETABLE SECURITIES

From time to time, the Company may acquire and transfer marketable to facilitate intragroup funding transfers between the Canadian parent and its Argentine operating subsidiaries. The Company does not acquire marketable securities and engage in these transactions for speculative purposes. In this regard, under this strategy, the Company generally uses marketable securities of large and well-established companies with high trading volumes and low volatility. Nonetheless, as the process to acquire, transfer and ultimately sell the marketable securities occurs over several days, some fluctuations are unavoidable. As the marketable securities are acquired with the intention of a near term sale, they are considered financial instruments that are held for trading, all changes in the fair value of the instruments between acquisition and disposition are recognized through profit or loss. The subsequent disposition of these marketable securities in exchange for Argentine pesos gave rise to a gain as the amount received in Argentine peso exceeds the amount of Argentine peso the Company would have received from a direct foreign currency exchange.

As a result of having utilized this mechanism for intragroup funding for the nine months ended September 30, 2023, the Company realized a gain of $1,797,231 from the favorable foreign currency impact.

8. SEGMENTED INFORMATION

The Company is primarily involved in mineral exploration activities in the Americas and Argentina. The Company is in the exploration stage and, accordingly, has no reportable segment revenues or operating revenues for the nine months ended September 30, 2023 and the year ended December 31, 2022.

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

8. SEGMENTED INFORMATION (continued)

The Company's total non-current assets are segmented geographically as follows:

	September 30, 2023	
	Argentina $	Total $
Exploration and evaluation assets	9,256,734	9,256,734
	9,256,734	9,256,734

	December 31, 2022	
	Argentina $	Total $
Exploration and evaluation assets	7,172,264	7,172,264
	7,172,264	7,172,264

9. COMMITMENT

Exploration and Evaluation Assets

The Company has firm commitments in relation to certain of its option agreements for exploration and evaluation assets, see Note 3.

Management Services Agreement

	1 Year $	2 Years $	3 Years $	4-5 Years $	More than 5 Years $
Management Services Agreement	30,000	120,000	-	-	-

Grosso Group provides its member companies with administrative and management services. The member companies pay monthly fees to Grosso Group on a cost recovery basis. The fee is based upon a pro-rating of Grosso Group's costs including its staff and overhead costs among the member companies. The current fee is $10,000 per month. This fee is reviewed and adjusted quarterly based on the level of services required.

The Company has a consulting agreement with its Chairman of the Board (the "Chairman Agreement"). The termination provisions of the Chairman Agreement provide that a fee of 30 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the Chairman would receive an amount equal to 30 months' compensation. As of September 30, 2023, the Company would have to pay $450,000 to the Chairman in the event of termination without cause or a change of control.

The Company has a consulting agreement with its President and CEO (the "CEO Agreement"). The termination provisions of the CEO Agreement provide that a fee of 30 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the CEO would receive an amount equal to 30 months' compensation. As of September 30, 2023, the Company would have to pay $482,850 to the CEO in the event of termination without cause or a change of control.

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

9. COMMITMENT (continued)

The Company has a consulting agreement with its CFO (the "CFO Agreement"). The termination provisions of the CFO Agreement provide that a fee of 24 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the CFO would receive an amount equal to 24 months' compensation. As of September 30, 2023, the Company would have to pay $64,080 to the CFO in the event of termination without cause or a change of control.

The Company has a consulting agreement with its Corporate Secretary (the "Corporate Secretary Agreement"). The termination provisions of the Corporate Secretary Agreement provide that a fee of 24 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the Corporate Secretary would receive an amount equal to 24 months' compensation. As of September 30, 2023, the Company would have to pay $76,896 to the Corporate Secretary in the event of termination without cause or a change of control.

The Company has a consulting agreement with its VP Exploration (the "VP Exploration Agreement"). The termination provisions of the VP Exploration Agreement provide that a fee of 3 months' compensation based on the average of the previous 6 monthly fees be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the VP Exploration would receive an amount equal to 3 months' compensation based on the average of the previous 6 monthly fees. As of September 30, 2023, the Company would have to pay $49,621 to the VP Exploration in the event of termination without cause or a change of control.

The Company has a consulting agreement with its Controller (the "Controller Agreement"). The termination provisions of the Controller Agreement provide that a fee of 12 months' compensation be paid in the event of termination without cause. In the event of a change of control, or the sale of all or substantially all of the assets of the Company to a bona fide third party purchaser, the Controller would receive an amount equal to 12 months' compensation. As of September 30, 2023, the Company would have to pay $36,000 to the Controller in the event of termination without cause or a change of control.

10. SUPPLEMENTARY CASH FLOW

	Nine months ended September 30,	
	2023	2022
	$	$
Non-cash investing and financing activities:		
Private placement – issuance of warrants	-	763,202
Share issue cost – issuance of warrants to agents	-	20,610
Shares issued for property option	151,000	238,780
Commitments for property option	-	508,846
Warrants exercised	20,605	-
Stock options exercised	-	27,719

11. FINANCIAL RISK MANAGEMENT

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

11. FINANCIAL RISK MANAGEMENT (continued)

(a) Fair Values

The Company's financial instruments consist of cash and cash equivalents, accounts receivables, accounts payable and accrued liabilities. The fair value of receivables, and accounts payable and accrued liabilities approximates their carrying values due to the immediate or short-term maturity of these financial instruments.

The following table outlines the Company's financial assets and liabilities measured at fair value by level within the fair value hierarchy described below. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

At September 30, 2023, the Company's financial instruments measured at fair value are as follows:

	$	Level 1 $	Level 2 $	Level 3 $
	Carrying amount September 30, 2023	Fair value September 30, 2023		
Recurring measurements				
Financial Assets				
Cash	987,169	987,169	-	-

At December 31, 2022, the Company's financial instruments measured at fair value are as follows:

	$	Level 1 $	Level 2 $	Level 3 $
	Carrying amount December 31, 2022	Fair value December 31, 2022		
Recurring measurements				
Financial Assets				
Cash	8,130,147	8,130,147	-	-

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's financial instruments consist of cash and cash equivalents, accounts receivables, and accounts payable and accrued liabilities.

11. FINANCIAL RISK MANAGEMENT (continued)

(b) Financial Instrument Risk Exposure

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents, and accounts receivables. The Company has reduced its credit risk by depositing its cash and cash equivalents with financial institutions that operate globally.

With the exception of amounts held with the a related company, the majority of the Company's receivables are with the government of Canada in the form of sales tax, the credit risk is minimal. Therefore, the Company is not exposed to significant credit risk and overall the Company's credit risk has not changed significantly from the prior year.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company has historically relied on issuance of shares and warrants to fund exploration programs and anticipates doing so again in the future. See Note 1 for further information.

Market risk

(i) Currency risk

Financial instruments that impact the Company's net earnings due to currency fluctuations in cash and cash equivalents, and accounts payable usually denominated in US Dollars and Argentinean pesos. A 10% change in US dollar and the Argentinean peso exchange rates relative to Canadian dollar would have a significant impact on the Company's net loss:

- A 10% change in the US dollar exchange rate relative to the Canadian dollar would change the Company's net loss by approximately $23,000.
- A 10% change in the Argentinean peso exchange rate relative to the Canadian dollar would change the Company's net loss by approximately $82,000.

(ii) ***Interest rate risk***

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Cash and cash equivalents bears no interest. The fair value of cash and cash equivalents approximates its carrying value due to the immediate or short-term maturity of this financial instrument.

Other current financial assets and liabilities are not exposed to interest rate risk because they are non-interest bearing or have prescribed interest rates.

11. FINANCIAL RISK MANAGEMENT (continued)

(c) Capital Management

The Company's objectives of capital management are intended to safeguard the entity's ability to support the Company's normal operating requirements on an ongoing basis, continue the exploration of evaluation and exploration assets and support any expansionary plans.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, reserves and deficit. The Company manages the capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the Company's assets.

To effectively manage the Company's capital requirements, management has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company has historically relied on issuance of shares to develop the project and anticipates doing so again in the future.

The Company is monitoring market conditions to secure funding at the lowest cost of capital. The Company is exposed to various funding and market risks which could curtail its access to funds.

The Company is not subject to any external covenants. There were no changes in the Company's approach to capital management during the nine months ended September 30, 2023.

Additional information regarding capital management is disclosed in Note 1.

12. SUBSEQUENT EVENTS

Stellantis

On October 5, 2023, the Company signed a definitive agreement (the "Investment Agreement") with Peugeot Citroen Argentina S.A., a subsidiary of Stellantis N.V. ("Stellantis") for an investment in Argentina of Argentina Pesos equivalent to US$90 million at the official foreign exchange rate in exchange (the "Transaction") for issuing shares equal to a 19.9% common share ownership interest (the "ALE shares") in the Company's subsidiary, Argentina Litio Y Energia S.A ("ALE"). The proceeds of the Transaction will be used to advance development of the Company's lithium projects held through its wholly owned subsidiary in Argentina, and for general corporate purposes.

At closing of the Transaction, Argentina Lithium and Stellantis entered into an exchange agreement (the "Exchange Agreement"). Under the Exchange Agreement, Argentina Lithium grants Stellantis an irrevocable right (the "Exchange Right") to exchange all of the ALE Shares then held by Stellantis for such number of Common Shares equaling 24.844% of (i) the outstanding Common Shares (on an undiluted basis) as of the date of the Exchange Agreement and (ii) Common Shares issued by Argentina Lithium (between the date of the Exchange Agreement and the date Stellantis exercises the Exchange Right) upon the exercise of warrants, stock options or other securities convertible or exchangeable into Common Shares existing as of the date of the Exchange Agreement (together, the "Exchange Shares"), subject to certain exchange conditions. Following the issuance of Exchange Shares, Stellantis will own at most 19.9% of the Common Shares (on an undiluted basis). In addition, Argentina Lithium will grant Stellantis an irrevocable right (the "Top-Up Right") to subscribe for additional Common Shares (the "Additional Shares") if necessary for Stellantis to achieve a 19.9% interest in the Common Shares (on an undiluted basis). Any Additional Shares Stellantis elects to purchase pursuant to the Top-Up Right will be issued at the maximum discounted market price permitted under the rules and policies of the TSXV, unless the Top-Up Right is exercised after an acquisition of Argentina Lithium, in which case the subscription price under the Top-Up Right will be the pre-announcement market price of shares of Argentina Lithium.

12. SUBSEQUENT EVENTS (continued)

Stellantis (continued)

Any issuance of Additional Shares will be subject to the prior approval of the TSXV. Stellantis will not have the right under the Exchange Right and the Top-Up Right to acquire more than 19.9% of the outstanding Common Shares following the issuance of Exchange Shares and Additional Shares, if any. The Exchange Agreement also provides Stellantis with observer rights to attend board meetings of Argentina Lithium for as long as Stellantis owns at least 10% of the issued and outstanding ALE Shares.

Argentina Lithium and Stellantis entered into a Lithium Offtake Agreement (the “Offtake Agreement”). Under the Offtake Agreement, ALE has agreed to sell to Stellantis, and Stellantis has agreed to purchase from ALE up to 15,000 tonnes per annum of lithium produced by ALE over a seven-year period (the “Supply Obligation”) subject to the terms and conditions set out in the Offtake Agreement. After the initial seven-year term, the Offtake Agreement may be extended by mutual agreement for an additional number of years. The price of lithium products sold by ALE under the Offtake Agreement will be based on an agreed market-based price formula at the time of each shipment. The commencement of the Supply Obligation of ALE is conditional on the successful start of commercial production at one or more of its projects. The Offtake Agreement also contains certain product qualification, certification and reporting requirements and provides Stellantis with a right to acquire any production prior to the commencement of the Supply Obligation and a right of first refusal on the sale to third parties of any lithium products (in excess of the Supply Obligation) after the commencement of commercial production.

Argentina Lithium, ALE and Stellantis will enter into a Shareholders’ Agreement (the “Shareholders’ Agreement”) relating to ALE and Stellantis’ ownership of ALE Shares and provides for the following principal terms:

- right of Stellantis to nominate one director to the board of directors of ALE (“Stellantis Director”) for as long as Stellantis has an ownership position of not less than 10% of the issued and outstanding ALE Shares;
- certain corporate decisions of ALE may not be undertaken without the affirmative vote the Stellantis Director or the approval by shareholders holding more than 90% of the issued and outstanding ALE Shares;
- right of each shareholder to maintain its ownership percentage in any equity offerings by ALE;
- transfer restrictions including, rights of first refusal, drag-along and tag-along rights;
- right of first offer for Stellantis to provide project financing and any other borrowing by ALE; and
- other terms and conditions consistent with a transaction of this nature.

In addition, upon exercise of the Exchange Right, Argentina Lithium will enter into an Investor Rights Agreement with Stellantis (the “Stellantis IRA”). The Stellantis IRA provides for the following principal terms in favour of Stellantis:

- a right to nominate one director to the board of directors of Argentina Lithium for as long as Stellantis has an ownership position of not less than 10% of the issued and outstanding Common Shares;
- pre-emptive right to maintain ownership percentage in certain follow-on issuances of Common Shares or securities convertible into Common Shares; and
- other terms and conditions consistent with a transaction of this nature.

Closing of the Transaction was subject to the Company obtaining TSXV approval, ALE completing certain corporate actions relating to the Transaction and other closing conditions set out in the Investment Agreement.

12. SUBSEQUENT EVENTS (continued)

Pocitos Project

The Company paid the US$250,000 option payment due at 24 months for the Rincon-Pocitos option agreement.

Antofalla Project

The Company paid the US$200,000 option payment due at 18 months for the Amelia option agreement.

Rincon West Project

The Company paid the US$500,000 option payment due at 4 months for the Don Fermin option agreement.

Loans from CEO

On October 4, 2023, the Company borrowed $270,000 from the Company's CEO that was used for working capital purposes (see also Note 6). On November 6, 2023, the Company repaid all loans owing to the CEO totalling $370,000.